

The Global Newspaper
Edited in Paris
Printed Simultaneously
in Paris, London, Zurich,
Hong Kong, Singapore,
The Hague and Marseille

WEATHER DATA APPEAR ON PAGE 12

No. 31,699

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

PARIS, SATURDAY-SUNDAY, JANUARY 19-20, 1985

ESTABLISHED 1887

U.S. Reportedly More Willing To Help Curb Buoyant Dollar

Reuters

WASHINGTON — The United States has signaled to its principal allies that it is more willing than in the past to act to curb an excessive surge in the dollar's strength, even though this commitment has yet to be tested, monetary sources said Friday.

They said that Washington reluctantly assented to the commitment during a two-day meeting here of the so-called Group of Five, comprising the finance ministers of the United States, West Germany, Japan, Britain and France.

The ministers issued a statement late Thursday reaffirming their willingness to help support weak currencies in the group if they all agreed that the markets were continuing to bid up the dollar without restraint.

The announcement, however, failed to dampen enthusiasm for the dollar on foreign-exchange markets. The currency bounced back from overnight lows on Thursday to close Friday with gains for the week against most major currencies.

"He was actually indicating to the markets that the central banks are jointly prepared to step in to the foreign-exchange markets," one senior source said. "In practice, it remains to be seen what the agreement means," he added.

Until now, the United States has been extremely reluctant to intervene to curb the dollar's strength. Recently, only West Germany's Bundesbank and the Bank of France have been prepared to intervene to defend their currencies.

[The head of the West German central bank, Hans Otto Pöhl, said Friday that the five finance ministers agreed that present high exchange rates for the dollar are exaggerated and should not be left unchecked. The Associated Press reported from Washington.]

[Mr. Pöhl said it would be reasonable for the governments to intervene in the currency markets to influence exchange rates and that intervention by Bonn had been successful in September. U.S. readiness to cooperate in such intervention has increased, he added.]

The sources also said that Britain, which had held the similarly doctrinaire attitude that intervention was a useless exercise, had also revised its position.

"Obviously, the British attitude has also changed in the light of recent developments," a source said, referring to the recent sharp drop in sterling.

According to official British sources, the agreement can be activated immediately without the need for a further meeting of finance ministers. "We've got a sufficient understanding between us so that this could be mobilized over the telephone," said one official.

If the reported U.S. commitment proves to be true, it would represent a significant change from the line taken by administration officials since President Ronald Reagan took office in 1981.

The Treasury secretary, who will soon take up the powerful position of White House chief of staff, has consistently argued that the dollar is strong because of the robust U.S. economy and the political stability of the United States. On Thursday, he ruled out "massive, prolonged intervention" to change the value of anyone's currency.



UN Chief Urges Cypriots To Try Harder on Unity

By Andriana Ierodiaconou

International Herald Tribune

UNITED NATIONS, New York — Javier Pérez de Cuellar, the UN secretary-general, appealed to Greek and Turkish Cypriot leaders Friday to make "much more effort" at talks on ending the partition of Cyprus.

President Spyros Kyprianou and the Turkish Cypriot leader, Raoul Denktash, started their first direct talks since 1979 at the United Nations on Thursday to negotiate the establishment of federal rule.

But, after their third session of talks on Friday morning, Mr. Pérez

Greek Cypriots seem ready to accept a compromise. Page 2.

de Cuellar warned: "We need much more effort from both sides before we can reach some positive results." The talks on Friday included a private meeting between the two Cypriot leaders.

"I am sure they realize this is a unique opportunity for making substantive progress," Mr. Pérez de Cuellar said. The secretary-general's statement came as a surprise. He had previously issued a ban on all comments while the talks were in progress.

Mr. Pérez de Cuellar said, however, that the negotiations could continue Saturday.

"We have been trying very hard, but . . . it is not an easy problem. The first important progress is that the two men are together," he said.

"I do not expect to solve the Cyprus problem but to put it back on the rails and to start a serious negotiating process for an overall solution."

The two men differed over the basic purpose of attending the New York summit, sources close to the UN said.

Mr. Denktash insisted that the meeting was a formality, for the signing of a draft settlement agreement reached during three months of indirect bargaining between November and January. The Turkish Cypriots said that working groups should be set up to work out the

final details of a federal Cyprus settlement once a draft was signed.

But the Greek Cypriots maintained that substantial issues remained to be negotiated before the two sides could arrive at an acceptable document.

Senior Greek Cypriot officials identified these issues earlier as:

• The withdrawal of the two Turkish Army divisions which have occupied the northern sector of Cyprus for the past 10 years.

• Guarantees for a settlement setting up a two-zone federal republic under joint rule with the Turkish Cypriots.

• The right for Greek Cypriots to travel freely, own property and settle in any part of the island.

Turkey sent troops to Cyprus in 1974, after a coup against the government of Archbishop Makarios organized by the Greek military junta of the day. The island has been partitioned since then, with the 80-percent Greek Cypriot majority segregated from the Turkish Cypriot minority.

According to sources close to the talks, Mr. Denktash insisted on Thursday that the nomination of Turkey as a guarantor of any future state was essential for agreement.

The Greek Cypriots considered this impossible, according to senior government officials.

The official said that the Greek Cypriots wanted to set up an "international guarantee force" of UN member countries, excluding Turkey.

On the Turkish troop withdrawal, the sources said that Mr. Denktash said he was willing to agree to a partial withdrawal according to a set timetable after a transitional government takes office to the envisioned federal state. This would leave a rear guard of 5,000 Turkish soldiers on the island for the security of the Turkish Cypriots.

Greece also could keep a certain number of troops in Cyprus, according to these proposals.

The Greek Cypriots, however, insist on a total demilitarization of the island, with the exception of the two British military bases, should be set up to work out the

Ruhr Valley Choked by Heavy Smog

Reuters

DUSSELDORF — Health officials in the West German state of North Rhine-Westphalia issued a maximum smog alert on Friday for western districts of the heavily populated Ruhr Valley because of air pollution.

All nonresidential motor vehicles were ordered off the roads. Schools were closed and industries faced orders to radically cut output or shut down.

Friedhelm Färthmann, state minister for health and labor, declared the alarm for the industrialized western Ruhr, where the cities of Essen, Duisburg, Bottrop, Krefeld, Mönchengladbach and Oberhausen form an urban sprawl. The area has a population of more than 1.8 million.

Freezing temperatures and low winds combined to trap pollutants in the atmosphere over the area, officials said. The Ruhr smog drifted over the border into the Netherlands, which also had a smog alert in effect. Smog alerts were also in force in Belgium.

Police said motorists were being cooperative. But public transport was crowded and there was difficulty in coping with the crush. The railroad workers' union called for the suspension of urban public

transit fares for the duration of the alarm.

Dutch authorities said their alert, declared on Thursday, remained in force on Friday although conditions had improved. They urged motorists to leave their cars at home and industry to burn gas rather than coal.

In Essen, streets usually choked with traffic were almost empty and some pedestrians and bicyclists wore face masks.

A few private vehicles with exhaust-cleaning converters were allowed on the roads. For the first time in West Germany, barriers bearing the word "smog" went up to keep private cars off the roads.

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transit fares for the duration of the alarm.

In Cologne and Düsseldorf, to the south of the Ruhr, there was a stage-one smog alert, with officials urging that the use of private cars be limited and that people suffering from respiratory illness remain indoors. State Interior Ministry officials Düsseldorf said police and emergency services were flooded with calls from people worried about what they should do.

West Berlin also called a stage-one alert on Friday. It was the city's third this year.

In Bonn, the Greens party, whose popularity has risen in polls partly because of its concern over pollution, called on state governments to drastically lower the smog alert thresholds.

Sudan Hangs Opponent of Islamic Law

By Judith Miller

New York Times Service

KHARTOUM, Sudan — A leading political opponent of President Gaafar Nimeiri was publicly hanged on Friday.

The executed man, Mahmoud Mohammed Taha, was the founder and leader of the Republican Brothers, a religious and political movement that opposed the establishment of traditional Islamic law in Sudan. Mr. Taha, 76, a devout Moslem, was regarded as a political moderate.

He and four of his colleagues were convicted and sentenced to death in a two-hour trial on Jan. 7 for "heresy, opposing application of Islamic law, disturbing public security, provoking opposition against the government and re-establishing a banned political party.

(Continued on Page 2, Col. 1)

cans have been seized in the last 10 months.

Another American is also missing, and the shadowy terrorist group that calls itself Islamic Holy War said Monday that it planned to put all five on trial as spies.

A day after the bombing of Smugglers Inn, there was another bomb explosion, this time at the Bank of Beirut and Arab Countries. Three people were killed and 15 wounded, all pedestrians unlucky enough to be walking by when the blast sent metal, concrete and glass flying. One of the reasons behind the bank bombing, there was only speculation.

Two more bombs exploded Jan. 12, killing two persons in a Sunni Moslem neighborhood, injuring a dozen more and sending militiamen into the streets, where they set up roadblocks. That night another bomb destroyed a Druze amusement parlor near Hamra Street.

Last Monday, two French soldiers of a neutral observer team, which supervises a shaky truce between militias that keep the Green Line open between the Christian and Moslem sectors, were slain by machine-gun fire in the Shiite Moslem shantytown of Bourj al Brajneh near the airport. A caller from Islamic Holy War said they "were liquidated for spying on our youths and positions in the Islamic subversives."

While the overwhelming majority of victims here are civilians, military prowess is not necessarily a guarantee of safety. Recently, the deputy commander of the French observers was found in a district called Thieves Alley with a single bullet in his head and his briefcase missing.

It only adds to the bombing horror that, in almost every case, there is no idea who planted the bomb or why. In Beirut, no one is ever caught, let alone tried.

The chaos has several causes. Most important, there is no single figure or militia strong enough or willing enough, to impose order on West Beirut, unlike the Christian sector, where reigns the militia associated with the Phalange party of President Amine Gemayel's family.

The various forces in West Beirut — Shiites, Sunnis and Druze — are constantly clashing. The Sunnis, traditionally the elite in Lebanon's sectarian-based politics, have lost the most, for they have little military power.

The Shiites, long Lebanon's underclass, are now the force to be reckoned with. But it is a volatile and increasingly radicalized force.

The mainstream Shiitic militia, Amal, (Continued on Page 5, Col. 1)

Beirut's Battered Residents Fear City Cannot Be Saved From 'Barbarians'

By John Kifner

New York Times Service

BEIRUT — George Zeini is a well-known figure around Makhoul Street in West Beirut. Over the years, his restaurant was a refuge for those Lebanese — artists, writers, professors, especially Christians — who have stubbornly refused, despite violence and chaos, to move away from this predominantly Moslem sector of the city.

Gaunt, gray and insistent, Mr. Zeini also ran an art gallery a few blocks away on Rue Elias. Over lunch one day, he talked excitedly of an exhibition of watercolors of Rue Elias, at one time an intellectual center of the Arab world, now best known as a place where cars are often stolen at gunpoint. Implicitly, the exhibit would call for a return to the old Beirut tradition of intellectual and political freedom, rather than what Mr. Zeini termed the current rule of "barbarians."

Although Mr. Zeini's restaurant, Smugglers Inn, was robbed six times in the last three months by gunmen who stripped customers of their money and jewelry, it still seemed a small haven for West Beirut from the mean streets outside. The quickest seats to fill up were the red leather banquets in the narrow space by the bar in back.

A top expert on Joan Miró's art says the number of fake Mirós is rising. Page 6.

Car Bomb and Shelling Kill 3

The Associated Press

BEIRUT — A car bomb exploded in the Moslem sector of West Beirut and shells were fired into the Christian sector Friday, killing three persons and wounding 17 police said.

Police said two pedestrians were killed and 12 wounded in the car bombing in the Beirut El-Abd neighborhood just before midday in a vacant lot.

Armed militiamen kept reporters

from visiting the scene. But chunks of metal, barely recognizable as an automobile, could be seen in the lot.

Police also said that six shells exploded in the Christian neighborhoods of Furq El-Shaabak and Ein El-Rumman in the morning, wounding three children and an adult. Christian-controlled radio stations accused "unruly elements" among Moslem militias in West Beirut of firing the artillery shells.

bombs that go off in front of shops and offices almost every night, usually it is believed, to enforce demands for protection money, have been shaken by the catalog of horrors of the last few days.

On Jan. 8, an American priest who headed a relief agency helping war victims was kidnapped by eight gunmen. The abduction occurred less than 12 hours after a kidnapped Swiss diplomat was freed by his captors. The priest, the Reverend Lawrence M. Jenco, was grabbed only a few yards from a big sandbagged police station in the same neighborhood where three other Ameri-

cans have been seized in the last 10 months.

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Greek Cypriots, on the Defensive, Seem to Accept Compromise

By Jonathan C. Randal
Washington Post Service

NICOSIA — New color photographs of Archbishop Makarios adorn the walls in the Greek sector of the Cypriot capital, but eight years after his death his shadow no longer dominates that divided island in the eastern Mediterranean.

The diminished importance of his legacy and the ruins of the Greek-dominated Cypriot republic he ran after Britain granted independence in 1960, rarely are mentioned in public now. But taken together they constitute a significant part of the backdrop of this week's talks at the United Nations, which are the most important negotiations between Greek and Turkish Cypriots in five years.

A local newspaper editor remarked privately, "Makarios is no longer an untouchable saint" for Greek Cypriots, who make up nearly four-fifths of the island's estimated 650,000 inhabitants. "That is new."

"We Greek Cypriots now admit to ourselves that Makarios and our other leaders could have made better settlements in the past and should have accepted compromises," he added. "That, too, is new."

Outmaneuvered in November 1983 when Turkish Cypriots unilaterally proclaimed independence for their portion of

northern Cyprus, and caught off balance again last fall when the Turkish Cypriot leader, Rauf Denktash, offered territorial and constitutional concessions, the Greek Cypriots realize they are on the defensive and must come up with their own ideas for a federated republic.

Eleven years after the Turkish Army invaded and occupied 36 percent of the island, many Greek Cypriots grudgingly have come to accept the idea that the two communities must remain separate.

If the negotiations succeed, as many as 40,000 could return to Varosha, the Greek sector of the port of Famagusta where there are about 30 deserted luxury hotels owned by Greek Cypriots. While older Greek Cypriots may long for their villages in the Turkish sector, many younger ones appear to have little or no such attachment.

Few Cypriots, Greek or Turk, are publicly willing to do more than express support for the talks in New York. Still, for perhaps the first time, Cypriots are hopeful that the way may be cleared for the difficult negotiations that eventually may bring both communities back from the threat of breaking into two independent states.

The Cypriot government officially and Greek Cypriots privately say they were encouraged when about 30 Turkish Cypriots of journalists accepted an invitation for the

post-Christmas ball given annually by the Greek-dominated Cyprus Union of Journalists. Among those who came was Raif Denktash, son of the Turkish Cypriot leader and head of the Turkish Cypriot Social Democratic Party.

"They were the star attractions after so

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many years," the local editor said, but he wondered whether his teen-age son who in the past decade had had no Turkish Cypriot friends would have felt the same elation.

After so many years of separation, only the older Cypriots have childhood memories of growing up with members of the other community.

All but overlooked is the presence of the UN peacekeeping force, established 21 years ago, that has 2,311 men drawn from seven nations. They have provided the safety net that has kept intercommunal violence to a minimum at an annual cost of \$100 million.

Nowhere along the 135-mile-long (215-kilometer-long) buffer zone separating the two sides is tension more palpable than in the narrow, winding streets of the Old City of Nicosia, now patrolled by 425 men of the Royal Canadian Regiment's 1st Battalion.

The Canadians keep an eye on rival Greek and Turkish Cypriot troops who face each other from well-entrenched positions that are often less than 10 yards (nine meters) apart.

Although flare-ups are infrequent, 13 months ago a Greek Cypriot soldier was shot dead outside his observation post and now the Canadians man a station 10 yards away.

Lighly armed two-man Canadian teams record, and try to stop, the usually minor violations — name calling, occasional rock throwing and shining of lights at the adversary.

Every rusted sand-filled barrel replaced by a new one, every new bit of metal sheeting is scrutinized by the other side, lest the rivals improve a position at its expense.

Yet, Greek and Turkish workers recently laid a sewer pipe in the buffer zone, as the Canadians kept watch.

Such small, practical successes may set in motion an examination of the complicated details of any agreement.

The details — the sharing of power and guarantees for the Turkish minority, how and when the remaining 24,000 mainland Turkish (and about 3,000 mainland Greek) troops would leave, who would guarantee a

final settlement — have been insolvable in previous negotiating rounds.

The present round owes much to Javier Perez de Cuellar. Before becoming UN secretary-general, he spent years as the UN special representative on the Cyprus issue and knows it thoroughly. Also helping were the Reagan administration, the Council of Europe and the European Community.

Diplomats here say that the point was

often made to Turkey that it was in Ankara's best interests — and those of the West — to prevent further deterioration on the North Atlantic Treaty Organization's expected eastern flank. Greece and Turkey, although often hostile to each other, are members of NATO.

Such accompaniment of the positive, according to diplomats, persuaded Turkey to make the same case to the Turkish Cypriots.

Although President Ronald Reagan wrote a letter to President Kenan Evren of Turkey in November suggesting such an accommodating step, some diplomats say they believe that the Turkish leader already had made up his mind to move. A bill to provide aid to Turkey had just narrowly passed the U.S. Senate and, as one diplomat said, "Evren didn't need a diagram."

WORLD BRIEFS

Time Loses on Trial's Second Issue

NEW YORK (AP) — The jury in Ariel Sharon's \$50-million libel suit decided against Time magazine Friday on the second major issue, falsity, and prepared to deliberate on the third issue, malice.

Jurors had deliberated for two days since deciding the first issue before them, that Time's report saying that Mr. Sharon "discussed" revenge with Lebanese Phalangist leaders was defamatory. Phalangist militiamen massacred Palestinians in Beirut while Mr. Sharon was Israel's defense minister.

To award Mr. Sharon a libel verdict, the jury still must find that Time published the report either knowing it was false or with reckless disregard of its truth. And Mr. Sharon must persuade the jury that his reputation was damaged by the story.

U.S. Seeks Regional Talks With Soviet

WASHINGTON (AP) — The Reagan administration, seeking a broader dialogue with the Soviet Union, intends to propose talks on Central America and other unstable areas of the world now that it has a new agreement to exchange views on the Middle East, according to U.S. officials.

"We'd be happy to chat with them about any number of different regions," a U.S. official said. The Middle East "is the only one where there is an agreement of principle thus far. We have offered to talk about a number of other regions as well. We'd be happy to have that."

The agreement reached Jan. 8 in Geneva to resume talks on reducing nuclear weapons reopened the U.S.-Soviet dialogue on an issue that is central to their relations and also cleared the way for talks on other topics, although the agreement on the Middle East was reached first.

Opposition Party Is Set Up in Seoul

SEOUL (AP) — A new opposition party, made up largely of followers of two dissident leaders, Kim Young Sam and Kim Da Jung, was established formally Friday with a pledge to "resurrect a genuine parliamentary democracy" in South Korea.

With the two dissidents still barred from politics, the party, named the New Korea Democratic Party, was hurriedly organized by their followers to challenge the government party of President Chun Doo Hwan in National Assembly elections scheduled for Feb. 12.

Instrumental in bringing together hitherto split opposition forces was the dissident Council for the Promotion of Democracy, led by Kim Young Sam, who once headed the now-defunct opposition New Democratic Party. Police again sealed off Mr. Kim's house in southern Seoul early Friday in an apparent move to keep him from attending the party's inaugural convention at a Seoul hotel. Kim Da Jung, the other dissident leader, now is in exile in the United States.

SRI LANKA CLAIMS SEIZURE OF WEAPONS

COLOMBO, Sri Lanka (Reuters) — Security forces have captured a large quantity of weapons during raids on three guerrilla camps in Sri Lanka's northern province during the past 10 days, the national security minister, Lalith Athulathmudali, said Friday.

The weapons, ranging from guns and ammunition to anti-tank grenades and portable rocket launchers, were displayed at army headquarters.

The minister said the weapons, manufactured abroad, had been purchased or received as gifts from foreign sources. He did not identify the sources. Mr. Athulathmudali said the discovery of the arsenal showed that the guerrillas, fighting for a separate Tamil state, had been preparing for a major attack on the army.

UN Says Iraq Bombed Villages in Iran

UNITED NATIONS, New York (UPI) — Investigation by a United Nations team showed Friday that Iraqi planes dropped cluster bombs on civilian targets in three Iranian villages two weeks ago, killing nine persons and wounding at least 30.

The investigation of the Jan. 4 attack was carried out at the request of the Iranian government. UN teams have been stationed in Iraq and Iran since last summer to verify adherence by the two sides to their June 12 agreement not to attack civilian targets in the war that began in September 1980.

The team, in its report to Secretary-General Javier Perez de Cuellar, confirmed that Iraqi planes attacked the villages of Alavaneh, Bardieh and Delavieh near Susangerd in southwestern Iran on Jan. 4.

U.S. Denies Report of Agca Contact

ROME (Reuters) — The U.S. Embassy denied Friday a press report that it had any dealings with Mehmet Ali Agca, the Turk who shot Pope John Paul II in 1981.

La Repubblica, a Rome daily newspaper, published an August 1983 letter, purportedly written by Mr. Agca, that suggested he had been in contact with the military attaché and had begun cooperating with Italian authorities after receiving a signal from the attack.

The U.S. Embassy said in a statement that its military attaché had received a letter purporting to be from Mr. Agca in August 1983, and passed it on to the magistrate investigating the assassination attempt. Mr. Agca is serving a life sentence in an Italian prison for attempting to kill the pope in St. Peter's Square on May 13, 1981.

62 Injured in German Refinery Blast

WESSELING, West Germany (AP) — Liquid gas leaking from a broken pipe exploded Friday, igniting a fire at a refinery here near Cologne and injuring 26 people, police said.

According to initial estimates, the blast and fire at the Rheinische Oelfabrik plant, which produces polyethylene, caused at least 100 million Deutsche marks (about \$3.3 million) in damage, police said.

Seven of the injured workers were hospitalized for treatment of cuts caused by glass windows shattered by the force of the blast, police said. It also broke windows in homes and other buildings near the plant, which is on the southern outskirts of Cologne.

For the Record

The 43rd game of the world chess championship was drawn Friday night after 21 moves, with the challenger, Gary Kasparov, offering the draw and Anatoli Karpov, the world champion since 1975, accepting. Mr. Karpov holds a 5-1 lead in the tournament and needs one victory to retain his title.

The U.S. Army ended its on-site investigation of the Pershing-2 missile accident that killed three soldiers in southern West Germany, but disclosed no details of its findings. The rest of the investigation will take place in the United States, a spokesman said.

Nearly 3,000 miners abandoned Britain's 10-month coal strike this week, the highest weekly total since November, and about 39 percent of the country's miners are working, the National Coal Board said. (UPI)

Corrections

A United Press International story on the Daya Bay, China, nuclear-power plant that appeared Jan. 4 reported erroneously that Framatome SA would supply reactors under license from Westinghouse Electric Corp. Framatome is no longer a licensee of Westinghouse.

The Associated Press reported erroneously in an article in the Jan. 18 edition that International Business Machines Corp. said that its profit would have risen 32.4 percent in 1984 if the dollar's value had remained unchanged from 1983. The figure referred to IBM's non-U.S. operations only.

U.S. Objects to Israel Over Report That Ethiopians Are on West Bank

WASHINGTON — The Reagan administration has expressed concern to Israel about reports that some Ethiopian Jewish refugees have been settled in the West Bank, State Department officials said.

The officials said Thursday that the U.S. Embassy in Tel Aviv had been instructed to complain to the Israelis about reports that hundreds of the Ethiopian Jews — part of an airlift of about 10,000 — had been sent to the Kiryat Arba settlement outside Hebron in the West Bank.

The United States has given Israel about \$12.5 million to help resettle the new immigrants this fiscal year and Washington wants to make sure none of the money is spent on enlarging Jewish settlements in the West Bank.

The United States has contended that the status of the West Bank should be decided through negotiations involving Jordan, Egypt, Israel and local Palestinians and it has asked Israel not to begin additional settlements in advance of negotiations. Israel has refused to rule out further settlements.

An Israeli Embassy official said that Yakov Tzur, minister of immigration, recently noted that there were five processing centers in Israel and that only one of them was in the West Bank. Mr. Tzur, who wants the United States to double resettlement aid, reportedly assured U.S. officials that the West Bank center would not necessarily be the refugees' permanent home.

7 Held in India as Spies On Gandhi Government

By William Claiborne
Washington Post Service

NEW DELHI — An espionage ring that penetrated the prime minister's office and senior positions of the Defense Ministry and passed secret foreign agents was broken Friday with the arrest and arraignment of at least seven persons, the authorities said.

Five of the alleged spies, including a personal assistant to Prime Minister Rajiv Gandhi's principal secretary, were government officials. Three of them, according to Indian news agencies, had been working in the prime minister's secretariat and had access to state secrets.

The other two persons arrested were identified by security sources as "businessmen."

Invoking the National Secrets Act, Indian officials refused to divulge the names of the arrested officials or identify the foreign country to which they are alleged to have reported.

Man Resisting Holdup Kills Youth in Chicago

The Associated Press

CHICAGO — A youth who was shot by a man from whom he was trying to steal groceries died Friday, the police said. They appealed for the gunman to surrender.

A police official compared the incident Thursday night to the well-publicized shooting of four youths on a New York City subway last month. He said the man had produced a gun after the 18-year-old victim and an accomplice, both wearing ski masks, had demanded his two bags of groceries at knife-point.

Sudan Executes Opposition Leader

(Continued from Page 1)
Terrorist," according to the Sudan news agency.

Their specific offense was having distributed a pamphlet calling for the abolition of Islamic law, which was imposed in September 1983.

On Thursday, General Nimeiri confirmed the death penalty in a speech after Mr. Taha refused to recant. General Nimeiri gave the other four convicted men three days in which to recant, or face execution. The four were among those who witnessed the execution.

As the trap door of the red steel scaffold swung open, 1,000 Sudanese men gathered in the Kober prison courtyard in Khartoum, many of them members of the extremist Moslem Brotherhood group, leaped to their feet and shouted in Arabic, "Death to the enemy of God."

Sudanese and Western residents here interpreted the execution of Mr. Taha as a warning by General Nimeiri to his political and religious opponents, who appear to be increasing.



Waldemar Chrostowski, who was driving Father Jerzy Popieluszko the night he died, gave evidence on the priest's kidnapping to a court in the town of Torun on Thursday.

Polish Trial Fuels National Discussion

Press, TV Provide Diet of Tidbits on Open Proceedings

By Michael T. Kaufman
New York Times Service

TORUN, Poland — The center of attention in Poland this month has been a tiny courtroom in this medieval town where Copernicus was born.

From an unadorned room, where pebbled-glass windows obscure scarce winter daylight, disclosures and tidbits have emerged daily to fuel a national discussion about the abduction and murder of a pro-Solidarity priest and about four security officers charged in the crime.

The arrests followed repeated public statements by the prime minister that "foreign forces" were working to destabilize India, although Mr. Ghandi has never specified which foreign countries were suspected of involvement.

Mr. Ghandi has also implied that Sikh separatist guerrillas in Punjab have received assistance from Pakistan and from radical Sikh groups based in Britain and the United States.

The United News of India, quoting "police sources," said that "the arrested people had been divulging to foreign sources vital information about the prime minister's secretaries and defense."

When asked for details, the prime minister said, "It would not be in the national interest to do so at this stage."

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Herald Tribune

Published With The New York Times and The Washington Post

Mideast Reality Lessons

While Ariel Sharon was battling to salvage something of his reputation in a New York courtroom this past week, Israel's cabinet voted to dismiss his war into Lebanon. To watch the swashbuckling general grope for vindication in U.S. libel law is theater, but the calamity he created should no longer be in doubt.

There are still defenders of the Israeli march to Beirut in June 1982; they take solace from the dispersion of the Palestine Liberation Organization. But no conceivable threat from PLO rockets or infiltrators can justify Israel's casualties since then — 607 dead, 3,500 wounded — let alone the immeasurable Lebanese losses. The advertised goal of "peace for Galilee" could have been achieved with only a few dozen casualties had Mr. Sharon and Prime Minister Menachem Begin kept their word and stopped after driving the PLO out of the border region. In fact, Galilee was the pretext for a farfetched purpose: to redesign Lebanese politics by force.

After defanging the PLO, Mr. Sharon tried to implant a Christian-led government in Beirut, drive out the Syrians, subdue the Moslem majority and dictate a lasting peace for Israel's northern front. He even thought this might break the Palestinian resistance to Israel's absorption of the West Bank and perhaps also frightened Jordan into accepting his peace terms.

What is wrong with waging aggressive war for peace? The fact that reality, if not morality, requires a balance of means and ends. Israel has the strength to defeat all attackers, but not to occupy foreign cities or to reorder even the weakest of Arab societies. Indeed, the Lebanese Shites who at first welcomed liberation from the PLO came to resent Israeli occupa-

tion. And the Syrians, though humiliated in aerial combat, were much better placed to exploit Lebanon's tribal strife in order to block any accord with Israel.

The proper lessons for Israel have now been courageously drawn by Prime Minister Shimon Peres and a majority of his coalition — including David Levy, Mr. Sharon's rival for the future leadership of the Likud bloc. General Yitzhak Rabin, the new defense minister, has made plain why Israel's military and moral interests require retreat from Lebanon. Its army is demoralized by an impossible police mission. And the hostility of the Lebanese is a graver threat than the PLO ever was.

The United States, too, has much to learn from the Sharon adventure. It was negligent in not opposing his war plans and in later letting his "peacekeeping" force assume his political objectives. Once trashed, it invited further humiliation by sponsoring an unattainable coordinated withdrawal by Syria and Israel.

It took months for Washington finally to pull back and let the Lebanese, Syrians and Israelis struggle by themselves for an unanticipated accommodation.

Aggressive American mediation and other "initiatives" are all well and good when the parties truly want them, as at Camp David. And giving Mr. Sharon his day in a U.S. court demonstrates what peculiar bonds exist between his society and America's. The jury will determine whether to credit his charge of libel by Time magazine. But for Israelis, Americans, to sponsor military and diplomatic interventions that defy realities in the Middle East is a truly grave offense.

— THE NEW YORK TIMES

In Ethiopia, Vile Cynicism

The Marxist government of Ethiopia has illuminated with stark clarity where its priorities lie in the battle against famine. By impounding a 6,000-ton food shipment from Australia that had been intended for the needy in rebel-held areas, it shows it is concerned less with saving the Ethiopian people than with keeping itself in power. This will come as no revelation to those who have followed the course of Ethiopia's revolution, but it is a stunning and shameful event all the same.

As it happened, a ship carrying Australian food first unloaded some of its cargo at an Ethiopian port and then prepared to move on to a port in neighboring Sudan. There it was to unload food provided by Australian voluntary agencies for transportation to Ethiopian famine victims who live under the control of the Eritrean and Tigray liberation fronts. But while the ship was still in port in Ethiopia, its remaining cargo was seized.

The Ethiopian government, attempting to justify the seizure, suggests that the Australian action amounted to infringement of Ethiopia's sovereignty and interference in its internal affairs. That is a strange and farfetched construction to put upon an effort to feed a group of Ethiopians whose government is trying to starve them into submission. It is bad enough.

— THE WASHINGTON POST

Other Opinion

Mitterrand's Message

Perseverance is the message President François Mitterrand has left with his people as he flies to the Pacific to persuade the two incompatible communities in New Caledonia to agree to independence linked with France. The French opposition, already counting chickens they hope to set hatched at next year's general election, should look a little closer at this master of the game. There are no foregone political conclusions in France. Unpopular as the president is supposed to be, opinion polls have an awkward way of reversing.

— The Daily Telegraph (London).

If Oil Prices Keep Falling

What if the average spot market price of a barrel of oil continues to drop, say to about \$20 from the current \$28 per barrel? It would offer the United States an opportunity to impose a noninflationary tax on imported crude oil. Why do this rather than allowing consumer prices for oil products to slide even further? Because an import tariff on oil would maintain stable domestic prices for consumers and result in multiple benefits for the nation.

First, the tax would discourage Americans from slipping back into their gas-guzzling habits. Second, a tariff on imported oil would insulate business interests that are dependent on stable domestic oil prices — in particular, troubled U.S. banks with large loans tied up in oil rigs and other phases of oil exploration.

— The Times (London).

Belgium's Missile Debate

Belgium currently has the questionable honor of being the weakest link in the Western alliance. It is strange to think that governing parties are ready to offer Moscow freely what should be negotiated in Geneva. It is bad policy to weaken U.S. negotiators, our own allies, beforehand. It is bad policy to do this to please the electorate.

— Gazer van Antwerpen (Antwerp).

FROM OUR JAN. 19 PAGES, 75 AND 50 YEARS AGO

1910: A Western University in China?

LONDON — An educational institution created through international co-operation and efforts of leading colleges and universities of the world, denominated neutral and designed to realize in China the highest elements in Western thought while conserving all that is best in the old Chinese culture — these are the fundamentals being advanced under the "Oxford-Cambridge scheme" for a university in China. J. Leslie Johnston, of Magdalen College, said: "All who know the Far East report that China is 'awakening' to Western ideas with a startling rapidity. There is an immense demand for advanced university education in Western knowledge. 'Western' schools and universities are being founded, but for want of qualified teachers, few are as yet efficient."

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Bolstering Economies for Security's Sake

By Robert D. Hormats

NEW YORK — President Reagan has made welcome moves to reduce tensions with Moscow and begin arms control negotiations. To improve chances of success, he also must take the initiative to shore up Western economies and reduce trade frictions, and U.S. allies would owe him a constructive response.

The West depends on a strategy of massive nuclear deterrence, for which there is decreasing public support. A more promising direction is to strengthen conventional forces. But this is expensive, and slow economic growth, budgetary constraints and pressing social problems in many Western nations limit resources available for such forces. Yet unless the West moves vigorously to reduce dependence on the nuclear deterrent, the North Atlantic Treaty Organization's popular appeal will decline and Moscow's incentive to strike an arms agreement may well disappear.

The United States has been the locomotive of the world economy for the past two years. But Europe's growth has been disappointing. And high unemployment, especially among young people, has led to alarming social stress.

Continued stagnation or a renewed decline in European growth would likely lead to major cuts in defense budgets. This would add fuel to the already acrimonious trans-Atlantic debate over defense burden-sharing and to demands in the United States for troop withdrawals. Increases in both the U.S. budget and trade deficits would intensify these pressures. And Europe's disturbingly high jobless rate could threaten the survival of governments that support the alliance and strengthen parties less well disposed to it. This would hardly improve the prospect for security cooperation or incentives for Moscow to reach an arms agreement.

Trade also has become a source of enormous friction between the United States and its allies. The huge U.S. trade deficit in 1984 and the prospect of a much larger one this year magnify trade

frustrations and intensify anger over foreign subsidies and restrictions on U.S. goods and services.

Because of high unemployment, Europe is extremely sensitive to action against its exports. And Europeans argue that arms trade is not a "two-way

street," because the United States buys relatively few weapons from them while they buy large amounts from the United States.

A trade war, or a series of major skirmishes, would — in addition to doing incalculable economic harm — widen divisions among the United States, Europe and Japan. Moscow, not surprisingly, has sought to capitalize on such divisions. Presidents Kennedy and Nixon understood this: both initiated negotiations with other Western nations to resolve trade issues while undertaking major arms talks with Moscow.

The West has worked diligently to achieve consensus on an arms control strategy. It must do the same on economics. A Western approach to broadened recovery should not be predicated solely on vigorous American growth and reduction of the U.S. budget deficit — although both are vital components. America's partners must make a contribution. For example, a commitment by others to follow the reduction in U.S. interest rates that would come after a cut in the U.S. budget deficit by a similar drop in their rates would improve their growth prospects and help increase exports by the United States. A number of stimulative actions

are needed not await decisions by Washington.

Europe needs to make other tough decisions. For example, it must lower internal barriers that have denied its industries a large integrated market, and it must cut high marginal taxes; both would stimulate growth.

And the Western nations need seriously to address relationships among currency misalignments, large capital flows and trade imbalances.

The strategic system should be overhauled. To begin with, industrialized and developing nations must give it the capacity to, first, reconcile disputes, even when these are not covered by the strict letter of international trade law; and, second, insist upon and monitor domestic adjustment measures. They must reduce the myriad distortions imposed over the last decade, resolve basic trade problems (in agriculture, investment and services) that were not successfully dealt with in the last negotiation.

This may be a 10-year agenda. But unless the process begins soon, frictions are likely to grow. It is important that leaders put this subject high on their agendas, along with recovery and security issues — for it substantially affects both.

The relationship between economic and security issues requires greater attention at economic summit meetings. Defense capabilities are directly related to growth, which is directly connected with trade, monetary and interest-rate issues. Purchases of defense equipment must be part of the equation.

Maintaining adequate security and conducting successful arms negotiations will be difficult without healthy growth and substantial economic harmony among the allies. As the West moves toward arms talks, it must come to grips with these linkages so that its economic and security goals are mutually reinforcing.

The writer, an economics official in the last four U.S. administrations, is a vice president of Goldman, Sachs & Co., investment bankers. He contributed this comment to The New York Times.

Atlantic Strategies: Bit of a Gap

By John Ausland

This is the second of two articles.

OSLO — NATO planners have in effect developed two strategies for use should war break out with the Warsaw Pact countries. The strategy of the Supreme Allied Commander Europe, or SACEUR, calls for a deep forward defense of Western Europe, but the present commander, General Bernard Rogers, has pointed out that he lacks the ammunition and other matériel to fight for more than a few days before having to request authority to use nuclear weapons. He assumes, therefore, that his war will not be a protracted one.

The other strategy is that of the Supreme Allied Commander Atlantic, or SACLANT, a position now held by Admiral Wesley L. McDonald, who is based in Norfolk, Virginia. He considers his main mission the resupply and reinforcement of European-based forces by sea. But given current Soviet naval strengths, his first task would have to be to contain the Soviet submarine menace, and this could take months. Until the submarine threat was at least diminished, one would wonder whether U.S. and Canadian authorities would willingly send reinforcements by sea, given the certainty of heavy losses.

Since SACEUR's plans are for a war that might last only days and SACLANT's for a more protracted conflict, there is a question as to how their strategies can be reconciled. In West European terms, it is difficult to see how they can be. But from an American view, the loss of Western Europe would not necessarily end a conflict with the Soviet Union.

In a crisis, SACLANT's first problem is to find out how Warsaw Pact naval forces are being deployed. The United States devotes a great deal of effort and expense to observing Soviet naval activities through the use of satellites and electronic installations. Underwater listening devices are scattered through the world's oceans. In the skies, allied aircraft keep constant watch on Warsaw Pact vessels, both on and under the surface. Allied subs quietly explore the waters of the Atlantic and the Barents Sea.

Most observers agree that the primary task of the Soviet Navy chief, Admiral Sergei Gorshkov, would be to protect his ballistic-missile submarines in the Barents Sea. Opinions vary as to what resources this would leave him to devote to harassing NATO sea lines. There is, nevertheless, a consensus that, if a conflict were to begin before SACLANT could carry out its deployment plans, NATO would be in serious trouble.

The alliance's Atlantic commander has a number of contingency plans for use in a crisis. Some examples are:

Plan 100. Provides for air operations in support of SACEUR on the northern and central fronts.

Plan 103. Provides for countering Warsaw Pact actions at sea, through surveillance, shadowing, etc.

Plan 108. Would be used to provide support by amphibious forces (the British or U.S. Marines).

Plan 112. Provides for protection of NATO shipping in the South Atlantic and Indian Ocean areas.

Plan 113. Provides for support for the island commanders, including those in Iceland and the Faeroes.

The implementation of any of these contingency plans would have to be approved by all NATO members. In the face of an ambiguous threat from the Warsaw Pact, the required unanimity might be difficult to obtain. The United States could, if worst came to worst, deploy its naval forces on its own. But going it alone in the Atlantic, particularly without British help in anti-submarine warfare, would be extremely hazardous.

While attack submarines loom large in SACLANT's war planning, the concept of the Strike Fleet Atlantic is also important. The strike fleet includes a varying number of U.S. carrier task forces, plus allied units. But given Soviet air power, the carriers would have to operate well to the west of the European mainland.

SACLANT would also look to land-based aircraft for support. These would include anti-submarine aircraft based in Iceland, Norway and Scotland. Under a program called Invictus, SACLANT has made preparations at several airfields, including an airfield in central Norway, for the receipt and operation of carrier aircraft in an emergency.

If intelligence worked well, if governments took timely decisions, and if NATO naval forces did not run out of ammunition before the Soviet forces, there is no reason to believe that they would not prevail in the Atlantic against Warsaw Pact naval forces. The losses on both sides, however, would be terrible, and the struggle would probably not be over in time to do SACEUR much good in his defense of the Continent.

International Herald Tribune.

LETTERS TO THE EDITOR

Skepticism on China

Regarding "China Under Deng: A Practical Path" (Dec. 28):

China's move toward a more capitalist economy has been enthusiastically welcomed by those who appear to have ditched, at least temporarily, healthy skepticism. Christopher S. Wren cites reports of farmers who have amassed sums up to \$100,000, or who have bought crop-dusting planes, pianos and computers. Such reports appear somewhat implausible.

The Israeli intent to install the South Lebanon Army in a narrow security belt along the frontier that was occupied by a Syrian surrogate force, the Shabab militia led by Saad Haddad, before the invasion. So even this return to the pre-war status quo is not a gain from the Lebanese operation. What it will be is a continuing challenge to the national resistance, which will go on attacking it — not a situation calculated to bring about harmony in the south.

Even if the Lebanese Army and gendarmerie return to the areas evacuated by Israel, the really effective peacekeepers can only be the Amal militia. Unifil, the United Nations force in Lebanon, lacks the mandate, the capacity and the will to be an effective police force, either between communities in southern Lebanon or between Lebanon and Israel.

The longer-term danger for Lebanon is that if the government in Beirut does not quickly restore the central administrative structure in the evacuated areas, the vacuum would be filled by Amal, so that the south would become a Shabab canton, as happened under similar circumstances with the Druze area of the Chouf. The Lebanese themselves would then be implementing the basic Israeli plan to cantonize Lebanon.

The writer has covered the Middle East for many years. He contributed this view to the Los Angeles Times.

verb transitive meaning "to devalue," the noun to mean "food or grub." They also say the word could come from the Afrikaans word "stoff."

However, I remember reading in a children's encyclopedia (circa 1920) that the word "scoff" originated among the British troops in the Boer War. It appears that when the food wagons arrived at the front lines, each crate bore the address: Senior Catering Officer, Field Forces.

J.W. HEMINGWAY
London

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U.S. Rules Out Arms for Cambodians Aide Says Involvement Would Impede Dealing With Hanoi

By Barbara Crossette
New York Times Service

BANGKOK — Washington's highest-ranking official on Asian affairs on Friday ruled out arms assistance to Cambodian guerrillas, saying that U.S. military involvement in the Cambodian civil war would only make negotiating with Vietnam more difficult.

Speaking at a news conference at the end of a three-day visit to Thailand, Paul D. Wolfowitz, assistant secretary of state for East Asian and Pacific affairs, said he continued to hope that Hanoi would agree to discuss a political solution in Cambodia. Vietnam has 160,000 to 180,000 troops in Cambodia battling three resistance groups.

On Thursday, Thailand's foreign minister, Siddhi Savetsila, said Thailand was pressuring the United States to join the Association of Southeast Asian Nations, or ASEAN, and China in giving military assistance to Cambodian guerrillas. Guerrillas of the non-Communist Khmer People's National Liberation Front, one of the three Cambodian resistance groups, have been under heavy Vietnamese attack since mid-November.

On Friday, Mr. Wolfowitz, who has been attending a southeast Asian regional security conference and meeting with Thai leaders, said: "We have for a long time been providing political and humanitarian support for the non-Communist resistance, and will continue to do so." But military support, he said, "should not be an American role; it is best undertaken by others."

He added: "It bears repeating — one can't say it often enough — that we give no support of any kind

to the Khmer Rouge." He said that Washington had told China "repeatedly" that the Khmer Rouge, which is supported by China, could have no part in a political solution for Cambodia.

Vietnam Sees Victory

Remnants of the Communist Khmer Rouge, which ruled Cambodia in a reign of terror from 1975 until January 1979, when the Vietnamese captured Phnom Penh, are the largest of three groups that are loosely allied against the Vietnamese-backed government in Phnom Penh. The Khmer Rouge group has about 30,000 trained fighters.

The Khmer People's National Liberation Front, under the political leadership of a former prime minister, Son Sann, has about 15,000 guerrillas. The third group, also non-Communist, includes about 5,000 armed followers of Prince Norodom Sihanouk, a former head of state and government.

Hanoi has insisted that no political solution is possible in Cambodia until the forces of Son Sann and Prince Sihanouk break with Pol Pot, the Khmer Rouge leader. Vietnam has also demanded that China and Thailand stop aiding the Khmer Rouge guerrillas.

Mr. Wolfowitz said Vietnam's recent attacks on the non-Communist Khmer People's National Liberation Front showed that "their claims that they are in Cambodia only because of the Khmer Rouge are very hollow claims indeed."

"They have dealt themselves a political and propaganda setback because their actions have strengthened bipartisan support in the United States for our policy," he added.

He said that U.S. policy was to back ASEAN, whose strategy was "to present Vietnam with a very clear choice: to continue its efforts to achieve a military solution or to accept a political settlement that would not only serve the interests of the ASEAN countries and the Cambodians, but would also protect Vietnam's security interests."

"We feel," Mr. Wolfowitz said, "that the chances of a political set-



Mrs. Malcolm Kerr, flanked by a bodyguard and the new president of the American University of Beirut, Calvin Phipps, leaving a memorial service Friday in Beirut for Mr. Kerr, the head of the university who was assassinated in his campus office a year ago.

Can the Violence in Beirut Get Any Worse? It Has

(Continued from Page 1)

which means Hope, is not an ordered, disciplined organization, but a rather amorphous movement, difficult to control and discipline. Further, Amal's leader, Nabih Berri, who is regarded as a responsible moderate by most Western diplomats, is himself under challenge among Shias, both from the ranking Shiite religious leader, Sheikh Mohammed Mahdi Shamseddin, and from the fundamentalist movement, Hezbollah, or Party of God.

Hezbollah appears to be the most rapidly growing movement in West Beirut, partly because of the displacement of Shias from the south, a consequence of the Israeli occupation.

And in the days before the 1982 invasion, other Middle Eastern

countries used to pump in a kind of foreign aid for political factions, militias and protection money that amounted, according to a banker, to \$100 million a month. This has been drastically cut.

Apart from political attacks, there is a crime wave gripping the city. Militias and individual gunmen shake down merchants for protection money and plant bombs if they do not pay up.

But for many in West Beirut, it was the bomb at Smugglers Inn that symbolized the grimness of the situation. Throughout the next day they gathered silently under a leaden sky on Makhoul Street, a narrow lane in the business district, to stare at the wreckage.

"For me, blowing up Smugglers

is the last straw," said a young woman whose Maronite Catholic family has stuck it out in West Beirut through all the last 10 years of trouble.

"Before, even when things were terrible, you thought they might get better," she said. "Now, there is just no hope. Smugglers Inn is my first went there when I was 14. I used to go there all the time."

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Tass Alleges Zionists Were Nazi 'Partners'

Reuters

MOSCOW — The Soviet press agency Tass published allegations on Friday that Zionists had been "partners" of Germany's Nazis and shared the blame for the deaths of millions of Jews during World War II.

A Tass interview with a Soviet historian, Lev Korneyev, said that Zionists had helped Adolf Hitler during his rise to power and by implication, it linked the Nazis with current Israeli policies.

The agency quoted Mr. Korneyev "in conversation with a Tass correspondent" as saying that Zionists had tried to prevent Jews fighting the Nazis.

The Zionists subsequently sought to conceal their "alliance with Nazism," but still had contacts with neo-Nazis, he said. Tass quoted Mr. Korneyev as saying that many Jews had fought against Nazism in the Soviet and Allied armies.

"But the Zionists, the Nazis' partners, did not have anything to do with that sacred struggle," Mr. Korneyev was quoted as saying. "Conversely, they share with the Nazis responsibility for the extermination of Jews during World War II. They have the blood of the victims on their hand and on their conscience."

The official Soviet media frequently attack Zionism as an imperialist and racist doctrine which they link to Israel and U.S. supporters of Israeli policies. But Western diplomats in Moscow said there appeared to be no particular reason for the timing of the Tass article.

Tass said that Mr. Korneyev, 55, had written several books on Zionism.

ism, including "Israel: Myths and Reality" and "Class Nature of Zionism."

Mr. Korneyev said that a Jewish-owned bank in Amsterdam loaned Hitler \$10 million in 1929 and a Cologne-based banking house, also owned by Jews, had discussed with the Nazis their "final solution."

That phrase was used to describe the attempted genocide under which an estimated six million Jews were put to death in territory occupied by Nazi Germany during the war.

"Banks and companies controlled by Zionists energetically contributed to the financing of the Hitler Reich and the Nazi war machine," Mr. Korneyev said. "Many of those banks and companies today constitute the bulk of international Zionism and support Tel Aviv's course of aggression."

According to Tass, Mr. Korneyev said that Israeli propagandists sought to reduce the history of World War II to the attempted extermination of European Jews.

"It is claimed that the extermination of Jews was the main aspect of the policy of Nazism and that all the peoples of the world 'betrayed' the European Jews," it quoted him as saying.

"This amounts to a gross distortion of real historical facts," Tass said. "The main aspect of Nazi policy ... was the struggle against socialism, against the Soviet Union."

The Soviet media have tended to play down the role of other Allied powers in World War II and have presented the war largely as a struggle between the Soviet Union and Nazis determined to crush Moscow.

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Clyde Haberman

INTERNATIONAL Herald Tribune

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ECONOMIC SCENE**Mounting U.S. Debt Load Seen as Dangerous Burden**By LEONARD SILK
New York Times Service

NEW YORK — In his speech to the National Press Club this week, Henry Kaufman, executive director and chief economist of Salomon Brothers, the investment banking concern, warned of dangers facing the United States and world economy as a result of the ballooning of private and public debt.

U.S. credit-market debt of individuals, businesses and governments climbed to an estimated \$7.2 trillion in 1984, up from \$2.4 trillion 10 years ago and \$1 trillion 20 years ago. But those figures underestimate the actual size of the total credit market, since there is a sharply expanding hidden debt — including futures options, interest-rate swaps, currency swaps, credit guarantees by banks and insurers and lines of credit between companies — for which no aggregate data are available.

Debt grew by 7.3 percent annually during the 1960s and by 11.1 percent in the 1970s. After dipping briefly during the 1981-82 recession, it gained new momentum and climbed at a record pace of 14 percent in 1984.

Mr. Kaufman sees a number of dangers in this debt explosion. One is the risk to corporate solvency resulting from the rapid increase in short-term borrowing. In 1983 and 1984, the first two years of the recovery, short-term borrowing by nonfinancial corporations, mainly through bank loans and commercial paper, accounted for 62 percent of their total external financing, compared with a 35-percent share in the 1970s.

Corporations have been borrowing heavily under floating interest rates, hoping that sharply rising rates will not happen but will not last long or can be passed on. They could be caught short to the tune of many billions of dollars.

What is left of the long-term bond market, Mr. Kaufman says, has become the domain of the U.S. Treasury. Because of its huge issuance of long bonds, the federal government has saturated the market and pushed private borrowers into the shorter-maturity ranks, endangering those who can least withstand rising rates.

Another ominous development has been the failure of the equity market to provide new capital for business. While non-financial corporations increased their debt by more than \$150 billion in 1984, their equity (retained earnings plus new equity issuance) fell by \$30 billion as a result of stock retirements reflecting mergers, acquisitions and leveraged buyouts.

This vast debt creation, Mr. Kaufman contends, has limited the performance of the equity market. The market value of shares rose step by step with the moderate growth of debt in the 1960s, but, since then, the equity market has gained very slowly while public and private debt has soared.

This rapid swelling of debt has increased the fragility of many financial institutions, whose assets and liabilities have risen much faster than their capital accounts. For some major financial institutions, Mr. Kaufman warns, all their capital would be wiped out, and more than wiped out, if their assets had to be liquidated to honor liabilities.

Mr. Kaufman's partner in the grim-warning business is Albert N. Wojnilower, managing director and chief economist of First Boston Corp. At the recent annual meeting of the American Economic Association in Dallas, Mr. Wojnilower said the credit markets have been marked by "an explosive mixture of chronic excess demand and rapidly expanding supply."

But he noted that while some crises of the earlier 1970s, such as the Penn Central and Franklin National Bank catastrophes, helped spawn credit crunches and recessions, the relatively mild reaction to later default threats, notably by the Continental Illinois Bank and the savings-and-loan subsidiary of the Financial Corp. of America, demonstrated that the public has come to

(Continued on Page 9, Col. 5)

Currency Rates

Latest interbank rates on Jan. 18, excluding fees.
Official fixings for Amsterdam, Brussels, Frankfurt, Milan, Paris, New York rates at 4 P.M.

Dollar Values		Pounds		F.F.		J.L.		S.F.		Yen	
Buy.	Sell.	Buy.	Sell.	Buy.	Sell.	Buy.	Sell.	Buy.	Sell.	Buy.	Sell.
Amsterdam	8.00	8.025	112.00	124.00	34.00	34.50	6.67	6.67	11.14	11.14	11.14
Brussels	8.00	8.025	112.00	124.00	34.00	34.50	6.67	6.67	11.14	11.14	11.14
Frankfurt	8.00	8.025	112.00	124.00	34.00	34.50	6.67	6.67	11.14	11.14	11.14
London	8.00	8.025	112.00	124.00	34.00	34.50	6.67	6.67	11.14	11.14	11.14
Milan	8.00	8.025	112.00	124.00	34.00	34.50	6.67	6.67	11.14	11.14	11.14
New York(c)	8.00	8.025	112.00	124.00	34.00	34.50	6.67	6.67	11.14	11.14	11.14
Paris	8.00	8.025	112.00	124.00	34.00	34.50	6.67	6.67	11.14	11.14	11.14
Tokyo	8.00	8.025	112.00	124.00	34.00	34.50	6.67	6.67	11.14	11.14	11.14
Zurich	8.00	8.025	112.00	124.00	34.00	34.50	6.67	6.67	11.14	11.14	11.14
1 ECU	8.00	8.025	112.00	124.00	34.00	34.50	6.67	6.67	11.14	11.14	11.14
1 SDR	8.00	8.025	112.00	124.00	34.00	34.50	6.67	6.67	11.14	11.14	11.14

£ Sterling: £1.655 Irish £. (a) Commercial rates. (b) Amounts needed to buy one pound. (c) Amounts needed to buy one dollar. (d) Units of 100 (e) Units of 1,000 (f) Units of 10,000

N.B.: Not available. M.A. = not available. S.D.R. = Special Drawing Rights (Brussels). Banque Commerciale Hollandia (Milan); Banque Nationale de Paris (Paris); I.M.F. (SDR); Banque Arabe et Internationale d'Investissement (Paris); rials, dirhams. Other data from Reuters and AP.

(Continued on Page 9, Col. 5)

Currency Rates

Latest interbank rates on Jan. 18, excluding fees.

Official fixings for Amsterdam, Brussels, Frankfurt, Milan, Paris, New York rates at 4 P.M.

4 P.M.

Currency		Per		Currency		Per		Currency		Per	
Buy.	Sell.	Buy.	Sell.	Buy.	Sell.	Buy.	Sell.	Buy.	Sell.	Buy.	Sell.
U.S. Dollars	1.2268	1.2268	1.2268	1.2268	1.2268	1.2268	1.2268	1.2268	1.2268	1.2268	1.2268
U.S.047 Australia dollars	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25
U.S.047 Belgian francs, French	6.28	6.28	6.28	6.28	6.28	6.28	6.28	6.28	6.28	6.28	6.28
U.S.047 Canadian dollars	6.195	6.195	6.195	6.195	6.195	6.195	6.195	6.195	6.195	6.195	6.195
U.S.047 Danish kroner	11.325	11.325	11.325	11.325	11.325	11.325	11.325	11.325	11.325	11.325	11.325
U.S.047 French francs	6.441	6.441	6.441	6.441	6.441	6.441	6.441	6.441	6.441	6.441	6.441
U.S.047 Greek drachmas	12.835	12.835	12.835	12.835	12.835	12.835	12.835	12.835	12.835	12.835	12.835
U.S.047 Hong Kong \$	7.785	7.785	7.785	7.785	7.785	7.785	7.785	7.785	7.785	7.785	7.785

£ Sterling: £1.655 Irish £. (a) Commercial rates. (b) Amounts needed to buy one pound. (c) Amounts needed to buy one dollar. (d) Units of 100 (e) Units of 1,000 (f) Units of 10,000

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(Continued on Page 9, Col. 5)

Interest Rates

Jan. 18

Eurocurrency Deposits

Source: Reuters

Asian Dollar Rates

Jan. 18

Source: Reuters

Key Money Rates

United States

Close Prev.

Bank Base Rate

Call Money

91-day Treasury Bill

3-month Interbank

Commercial Paper

3-month Treasury Bills

CD's 30-90 days

CD's 90-45 days

Broker Loan Rate

Commercial Paper 30-75 days

Commercial Paper 75-120 days

Commercial Paper 120-175 days

Commercial Paper 175-225 days

Commercial Paper 225-275 days

Commercial Paper 275-325 days

Commercial Paper 325-375 days

Commercial Paper 375-425 days

Commercial Paper 425-475 days

Commercial Paper 475-525 days

Commercial Paper 525-575 days

Commercial Paper 575-625 days

Commercial Paper 625-675 days

Commercial Paper 675-725 days

Commercial Paper 725-775 days

NYSE Most Actives						
AMR	2477	35%	35%	22%	-1%	133
AT&T	2478	35%	35%	22%	+1%	133
Citicorp	1507	35%	35%	22%	+1%	133
FIRGMA	1465	42%	42%	37%	+1%	133
DeltaAir	1454	42%	42%	37%	+1%	133
IBM	1453	25%	25%	14%	+1%	133
Schimb	1452	25%	25%	14%	+1%	133
GenCorp	1451	25%	25%	14%	+1%	133
U.S. Mortg.	1450	25%	25%	14%	+1%	133
UnCorp	1449	25%	25%	14%	+1%	133
Alico	1448	39%	39%	34%	+1%	133
Brown	1447	39%	39%	34%	+1%	133

Dow Jones Averages						
Index	1226.21	1226.21	1227.21	1227.21	-1.21	133
Toms	562.11	562.11	572.21	572.21	+1.10	133
UHII	142.67	142.67	143.21	143.21	+0.54	133
Comp	47.67	47.67	48.01	48.01	+0.34	133

NYSE Dailies						
Class	Prev.	Buy	Sales	Vol. 4 P.M.	Prev. 4 P.M. vol.	Prev. consolidated close
Advanced	906	915	915	104,770,000	113,555,000	112,623,700
Declined	415	745	745			
Unchanged	444	1,114	1,114			
Total Issues	2,027	2,016	2,016			
New Highs	114	114	114			
Low Lows	12,274	12,274	12,274			
Volume up	54,223,700	54,223,700	54,223,700			
Volume down	55,533,700	55,533,700	55,533,700			

NYSE Index						
High	Low	Close	Chg/	Div.	Yld.	PE
Composite	91.00	91.75	+0.75	1.12	4.4	10
Trans.	91.00	91.25	+0.25	1.12	4.4	10
Utilities	91.00	91.25	+0.25	1.12	4.4	10
Finance	101.55	101.55	+0.51	1.12	4.4	10



Friday's
NYSE
Closing

AMEX Dailies						
Class	Prev.	Close	Chg/	Div.	Yld.	PE
Advanced	232	232	+0.00	1.12	4.4	10
Retained	222	222	+0.00	1.12	4.4	10
Unchanged	22	22	+0.00	1.12	4.4	10
New Highs	2	2	+0.00	1.12	4.4	10
New Lows	2	2	+0.00	1.12	4.4	10
Adv. & Ret.	244,000	244,000	+0.00	1.12	4.4	10
Volume down	1,846,840	1,846,840	+0.00	1.12	4.4	10

NASDAQ Index						
High	Low	Close	Chg/	Div.	Yld.	PE
Composite	261.00	261.75	+0.75	1.12	4.4	10
Financials	261.00	261.75	+0.75	1.12	4.4	10
Utilities	251.12	251.12	+0.00	1.12	4.4	10
Banks	251.12	251.12	+0.00	1.12	4.4	10
Trans.	251.12	251.12	+0.00	1.12	4.4	10

AMEX Most Actives						
Wards	110.00	257.00	257.00	257.00	+0.00	10
BAT	124.25	124.25	124.25	124.25	+0.00	10
Morse n	389.00	389.00	389.00	389.00	+0.00	10
Defend	187.00	187.00	187.00	187.00	+0.00	10
WDFL	112.00	112.00	112.00	112.00	+0.00	10
DonnelP	174.00	174.00	174.00	174.00	+0.00	10
DonnelP	174.00	174.00	174.00	174.00	+0.00	10
Ultimate	188.00	188.00	188.00	188.00	+0.00	10
Ozark	188.00	188.00	188.00	188.00	+0.00	10

Stocks Mixed in N.Y. Trading

United Press International

NEW YORK — The stock market finished mixed Friday with the blue chips in a modest decline but the broader market continuing its advance.

Airline issues lost ground for the second consecutive session amid fears that a fare war would hurt profits.

The Dow Jones industrial average lost 1.33 to 1,227.36. For the week, the Dow gained 9.27 thanks to a rise of 16.45 on Monday.

The Dow had a modest loss in every session since Monday, while the broader market has gained in each session for the last two weeks.

The New York Stock Exchange index climbed 0.29 to 99.04 and the price of an average share increased 10 cents. Standard & Poor's 500-stock index gained 0.59 to 171.32, a 12-month high.

Advances led declines by a 5-4 ratio among the 2,005 issues traded at closing. The Dow Jones transportation average, which includes several airline issues, fell 6.98 to 577.72.

Big Board volume totaled 104.72 million shares, down from 113.55 million shares traded Thursday.

Chester Pado of A.C. Securities in Los Angeles said the trend of more advances than declines "indicates a very powerful market underpinning." He said the dip in the Dow industrials reflected profit taking.

Mr. Pado said the strength in the broad market suggests "the Dow will follow to the upside shortly and break through the 1,240-1,250 barrier" perhaps as soon as next week.

Before the stock market opened, the Commerce Department reported that U.S. personal

income rose 0.5 percent in December. Personal spending increased 1.2 percent.

For all of 1984, personal income grew 9.8 percent, compared with 6.2-percent expansion in 1983.

The federal-funds rate on interbank loans was 8 percent late Friday, down from 8 1/4 percent late Thursday.

Composite volume of NYSE issues listed on all U.S. exchanges and over the counter at 4 P.M. totaled 122,419 million shares, down from 130,526 million shares Thursday.

On the trading floor, AMR Corp. was the most active issue, falling 1 1/4 to 33 1/4. AMR lost 1% Thursday after launching a new price war in the airline industry by cutting fares on its American Airlines.

Other airlines continued their descent, with UAL falling 2 1/4 to 43 1/4, Delta 1% to 34 1/4, US Air 1% to 33 1/4, Southwest Airlines 1/2 to 23 1/4 and Piedmont 1/2 to 33.

Boeing lost 1 1/4 to 56, apparently on fears the world would slow orders of new planes. AT&T was second among the actives, unchanged at 20 1/2.

Castle & Cooke was third, off 4% to 15%. A block of 1 million shares crossed at 16 on the Midwest Stock Exchange. Minneapolis investor Irwin Jacobs said a group he heads may seek control of Castle & Cooke.

Oil issues were generally firm, with Exxon gaining 1 1/2 to 45 1/2, Atlantic Richfield 1/2 to 44 1/2, Mobil 1/2 to 27 1/2, Texaco 1/2 to 34 and Unocal 1/2 to 34 1/2. Chevron lost 1/2 to 31 1/2. Exxon said it was abandoning a well in the Beaufort Sea 115 miles northwest of Prudhoe Bay.

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BUSINESS ROUNDUP

Caterpillar Posted Loss Of \$428 Million in 1984*The Associated Press*

PEORIA, Illinois — Caterpillar Tractor Co. said Friday that it had a net loss of \$428 million in 1984, its biggest annual loss and its third in a row.

The loss was 31.7 percent greater than Caterpillar's net loss of \$325 million in 1983. Sales in 1984 were up 21.4 percent, to \$5.58 billion from \$5.42 billion in 1983.

Caterpillar, the world's leading maker of heavy construction equipment, said the 1984 loss included large one-time charges because of layoffs, plant closings or consolidations and other changes made in Caterpillar's effort to return to profitability.

On the New York Stock Exchange, Caterpillar closed off .125 cents on Friday, at \$30.625.

In the fourth quarter, Caterpillar posted a loss of \$251 million, compared with a loss of \$11 million a

year earlier. Sales dipped to \$1.66 billion from \$1.7 billion.

Caterpillar posted a profit of \$24 million in the second quarter. The quarterly profit ended seven consecutive quarterly losses.

But in mid-September, company officials said their hopes for a profit for the full year had evaporated. They blamed the change largely on continued price discounting to overseas dealers because of the strong dollar and similar discounts offered by Caterpillar's chief rivals, led by Komatsu Ltd. of Japan.

Caterpillar late last year announced layoffs of more than 3,000 U.S. factory workers, trimmed salaried payrolls by 700 and said it would shift some U.S. operations to overseas plants.

The company said it closed out 1984 with 61,624 people on its worldwide payroll, up 3,500 from the end of 1983.

Grundig to Trim Work Force by 29%*Compiled by Our Staff From Dispatches*

MUNICH — Grundig AG will cut its international work force by 29 percent in an effort to return to profit, the Bavarian economics minister, Anton Jaumann, said Friday.

Mr. Jaumann, quoting Hermann Koenig, the Grundig managing board chairman, said at a press conference that the company wanted 7,000 jobs to be cut, 2,000 of them in West Germany.

Grundig, which was bought April 1 by Philips NV of the Netherlands, has a work force of 20,000.

But a Grundig spokesman said the exact number of jobs to be cut had not been decided, and that the final figure could be far less than 7,000.

But he added that some operational areas would have to cut work force by 25 percent to 30 percent.

Bumiputra Head Promises Overhaul*Reuters*

KUALA LUMPUR — Tan Sri Basir Ismail, newly appointed executive chairman of the state-owned Bank Bumiputra, says he will re-vamp the bank's lending policies and staff, and repolish its tarnished image, in the wake of a scandal involving \$1 billion in bad loans to Hong Kong property companies.

But Mr. Basir, a 57-year-old former civil servant with no commercial banking experience, agreed that the bank would have to retreat from the competitive international market and concentrate on local business.

"We want to start full international banking again, but I have to put the house in order first," Mr. Basir said in a recent interview.

Many foreign bankers here say that Bank Bumiputra will not soon recover from the fiasco, in which about \$1 billion in loans made to Hong Kong property developers

between 1979 and 1983 went bad.

A three-man panel set up to investigate the bank's lending policies said it had evidence of corruption and criminal breach of trust by bank employees.

The foreign bankers said they think the bank faces problems not only abroad but also at home.

Mr. Basir conceded that Bank Bumiputra had bad domestic loans, but he said they were not our

proportion to the bank's size. In a related development, the bank won a court order Friday freezing the assets of three former executives of its Hong Kong subsidiary, Bumiputra Malaysia Finance. A similar order was tendered against another former executive on Thursday.

The orders bar the executives from disposing of their business interests here and allows the bank to check their files and documents.

Merrill Lynch Names Pinet as Adviser*International Herald Tribune*

LONDON — Merrill Lynch & Co. announced Friday that it had appointed Herve M. Pinet, formerly president of Cie. Financiere de Paribas as senior adviser to its capital-markets division and to the senior management of the parent company.

Paribas said the appointment

was to grant that the authorities would not allow any sizable financial actor to default.

The recent entry of major insurance companies into the business of insuring banks and bond investors against default, he added, represents another effort to stretch the safety net. He presumed the authorities will have to interdict a cascading of defaults if only to save the insurance industry.

Both Mr. Kaufman and Mr. Wojnilower blame financial deregulation for part of the dangers. The First Boston economist has long argued that deregulation of financial markets will ultimately spawn new and broader control machinery "more onerous than its forebears."

A recession now, Mr. Kaufman warns, would arrest the feeble recovery in Europe and the developing world, and increase the risk of further deterioration in credit quality.

Company Earnings

Revenue and profits, in millions, are in local currencies unless otherwise indicated

		Canada		Disney (Walt)		Owens-Corning	
4th Quar.		1984	1983	1984	1983	1984	1983
Revenue	\$46.5	\$46.2	\$42.2	\$42.2	\$42.2	\$32.7	\$32.7
Profit	5.3	5.3	5.2	5.2	5.2	5.1	5.1
Per Share	0.95	0.95	0.92	0.92	0.92	0.84	0.84
Year							
Revenue	\$42.0	\$42.0	\$38.0	\$38.0	\$38.0	\$29.0	\$29.0
Profit	4.2	4.2	4.2	4.2	4.2	3.8	3.8
Per Share	0.74	0.74	0.71	0.71	0.71	0.62	0.62

		United States		Fannie Mae		U.S. West	
4th Quar.		1984	1983	1984	1983	1984	1983
Net Inc.	(\$13.2)	13.2	13.2	13.2	13.2	13.2	13.2
Per Share	(\$2.6)	2.6	2.6	2.6	2.6	2.6	2.6
Year							
Revenue	\$7.6B	\$7.6B	\$7.6B	\$7.6B	\$7.6B	\$7.6B	\$7.6B
Profit	2.15	2.15	2.15	2.15	2.15	2.15	2.15
Per Share	4.29	4.29	4.29	4.29	4.29	4.29	4.29

		Alcoa		Ford Motor Co. of America		Westinghouse Electric Corp.	
4th Quar.		1984	1983	1984	1983	1984	1983
Revenue	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Net Inc.	(1014.2)	1014.2	1014.2	1014.2	1014.2	1014.2	1014.2
Per Share	1.99	1.99	1.99	1.99	1.99	1.99	1.99
Year							
Revenue	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800
Profit	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Per Share	4.13	4.13	4.13	4.13	4.13	4.13	4.13

		Ford Motor Co. of America		Ford Motor Co. of America		Westinghouse Electric Corp.	
4th Quar.		1984	1983	1984	1983	1984	1983
Net Inc.	(\$13.2)	13.2	13.2	13.2	13.2	13.2	13.2
Per Share	(\$2.6)	2.6	2.6	2.6	2.6	2.6	2.6
Year							
Revenue	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800
Profit	2,200	2,200	2,200	2,200	2,200	2,200	2,200
Per Share	3.87	3.87	3.87	3.87	3.87	3.87	3.87

		Fannie Mae		U.S. West	
4th Quar.		1984	1983	1984	1983
Net Inc.	13.2	13.2	13.2	13.2	13.2
Per Share	2.6	2.6	2.6	2.6	2.6
Year					
Revenue	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Profit	2,200	2,200	2,200	2,200	2,200
Per Share	3.87	3.87	3.87	3.87	3.87

		Westinghouse Electric Corp.		Westinghouse Electric Corp.	
4th Quar.		1984	1983	1984	1983
Net Inc.	21.44	21.44	17.87	17.87	17.87
Per Share	3.87	3.87	3.87	3.87	3.87
Year					
Revenue	\$2,900	\$2,900	\$2,900	\$2,900	\$2,900
Profit	5,200	5,200	5,200	5,200	5,200
Per Share	8.73	8.73	8.73	8.73	8.73

		ADVERTISMENT		INTERNATIONAL FUNDS	

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SPORTS

Dolphins: Every 16 Plays, a TD

New York Times Service

NEW YORK — Don't get into a shoot-out with the Miami Dolphins. They're never out of a game, and they play on the shortest field in football.

They score a touchdown every 104 yards. That do it quicker than anybody else — every 16 plays.

Other teams need 30 plays, on the average, to score.

The chief reason is Dan Marino.

Every eight pass he completes is

for a touchdown. To really shock

you, every 12th pass he throws is a

touchdown. And we're talking about a quarterback with only two

years in pro football.

You can score points against the Dolphins, although that has not always been true. In 1983, they gave up fewer points than anybody, 15.6 a game; in 1984, they ranked seventh (18.6). But they made up for it on offense. In 1984, last season, they averaged 24.3 points a game; this season, 32.

The only team close to them is San Francisco. There are 47 sets of statistics — mostly offensive — that are used to measure teams. The Dolphins are No. 1 in 24 of them. And where they are No. 1, the 49ers most often are No. 2.

It didn't just happen. This is Don Shula's sixth trip to the Super Bowl. He's getting there because he adjusted his strategy to suit Marino's talent. They used to run more than they passed. Now they run 30 times a game and pass 36.

They are going to have to rely on the defense to pick up something in this game, especially since the 49ers will be busier to gain that offense. But remember: Every 16 plays, the Dolphins are in the end zone.

OFFENSE

Any time their defense keeps a team under 20 points, the Dolphins will win. They did it 10 times this season, and it wasn't even close. If they play their average game, it will

take more than 32 points to beat them.

They do it with lots of big plays. Joe Montana of the 49ers is great passing for 10 or 12 yards. Marino will throw the ball farther downfield more often. And he's got some exceptional receivers.

His favorite deep guy is Mark Clayton. He caught 73 passes this season, and 18 of them were for touchdowns. Every fourth time he caught a pass, it was a touchdown.

On the other side, Marino will have Mark Duper, who caught 71 passes, and scored a touchdown on every ninth one. Then you get a tight end like Bruce Hardy. He's caught only 28 passes this season, but five were for touchdowns. And their money back, Tony Nathan, carried the ball 118 times in the regular season and caught 61 passes.

The No. 1 rusher is Woody Bench, the fullback, who averages 4.2 yards per carry. Nathan averages 4.7 yards. But the guy who came on and helped is Joe Carter, the rookie from Alabama. He gets you 5 yards per carry. So don't think they can't run.

They move things around, but basically they're a two-back team, like the 49ers. Sometimes they change to one back. And they like to make frequent use of Hardy, Dan Johnson and Joe Rose as the tight ends.

With all this offense, the Dolphins still have one peculiarity: they don't do well in the first quarter. For the entire season, they scored just six points more than their opponents in the first quarter. But they made up for it: in the second quarter, they were 89 points better than their opponents, and in the third quarter they were 88 points better.

By contrast, the 49ers are a superior first-quarter team. They out-

scored their rivals by 82 points in

the first quarter. So, if you're going to beat the 49ers, you've got to do a great job at the start.

DEFENSE

You can move the ball on them.

They gave up 339 yards a game,

and there were 18 teams in the league that did better than that. But they allowed only 18.6 points a game and won by almost two touchdowns every time.

They start with a three-man front, but on second and long you'll see them going to a four-man line. The No. 1 sacker is Doug Bentler, the left end. He had 14 sacks. Charles Bowser, the linebacker on the right side, is No. 2.

The linebackers have good experience. Bowser's been in the league for four years. Bob Brudzinski, the left linebacker who lines up on the tight end side of the formation, has nine years of pro ball. He's the No. 3 tackler on the team and is No. 1 in first hits.

The other regulars are a pair of young guys, Mark Brown and Jay Brophy. But behind them, there's solid experience: A.J. Duke and Ernest Rhone, both in the league nine years, and both ready. The leading tacklers on the team are, in order, Brown, Bowser and Brudzinski, all linebackers.

At the corners, they've got William Johnson and Don McNeal, and Johnson's the No. 1 deep back in tackles and interceptions. And at safety, the Blackwood brothers, Glenn and Lyle, are highly productive people. You're talking about a disciplined, don't-make-a-mistake secondary. They don't gamble.

Most people consider the defensive seven from a little soft. You can run at them for four or five yards. But, against Miami, you can do that and lose.

SPECIAL TEAMS

They've got a great punter in Reggie Roby, who averages nearly

45 yards a kick and is No. 3 in the

league. But that is the only edge von Schumann has a career average of 83 percent on field goals inside the 30-yard line, and he didn't miss one this season from that range (Ray Wersching, of San Francisco, has a career mark of 75 percent).

But Von Schumann has been way off on long shots. From outside the 40, he hit on only 39 percent; this season, he's 0 for 7. He was only 2 for 12 outside the 30-yard line.

If there's an Achilles heel, it could be in kicking field goals. Uwe

league. At the corners, they've got William Johnson and Don McNeal, and Johnson's the No. 1 deep back in tackles and interceptions. And at safety, the Blackwood brothers, Glenn and Lyle, are highly productive people. You're talking about a disciplined, don't-make-a-mistake secondary. They don't gamble.

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49ers: Most Balanced in NFL

New York Times Service

NEW YORK — The San Francisco 49ers are probably the most balanced team in years to go to the Super Bowl.

The 49ers won the most games in the regular season (15 of 16), had the best winning margin (15.5 points a game), they score two points for every one they give up.

They have an innovative and of-

fensive-minded coach in Bill Walsh, they have a creative quar-

terback in Joe Montana and they use all kinds of formations and patterns on both offense and de-

fense. Walsh says it is the most talented squad he has had. It has tremen-

dous depth.

When they went to the Super

Bowl three years ago, the 49ers

could not run the ball. Now, they

have Wendell Tyler and Roger

Craig; they can run.

The statistical categories, com-

paring what they do with what they

give up, show they're really No. 1 in

pro football.

Look at the ratio of points scored

to points given up. The average

playoff team scores 1.4 points for

every point it gives up. The 49ers, at 2 to 1, are far superior. No. 1 in the league. The Miami Dolphins have a 1.7-to-1 rate.

If the 49ers have a weak area, it

may be that they lack depth at the

corners on defense. But the pass

rush is so good they get by with it.

DEFENSE

It is based on the Bill Walsh

design: He's not concerned with

attacking the whole field on every

play. He attacks one area on every

play. And the design is embodied in

the quarterback, Joe Montana. He

concentrates, he scrambles, he cre-

ates.

Montana isn't the same type of

quarterback as Dan Marino of Mi-

ami, but he's every bit as efficient.

Only 2 percent of his passes are

intercepted, the best rating in pro

ball. If his receivers see Montana flushed on a play, they improvise a pattern that makes it easier for a running Montana to complete the pass.

All teams do it; they do it better.

The 49ers probably go into a game with more offense ready to use than any other team. The 49ers move the pocket around, they spring the quarterback, they use all kinds of patterns.

They move the ball in chunks of yardage. They average 4.6 yards per rush and 7.5 yards per pass, and they're No. 2 in the league in both. That's balance. The Dolphins, on the other hand, are No. 1 in passing but 16th in running.

All their receivers catch the ball but Freddie Solomon is the big-play receiver. They also have Dwight Clark, and, at tight end, Russ Francis, a former all-pro. Walsh is always believed in throwing to the fullback on the strong side, making him the third receiver on that side, and the toughest to chase. That's Roger Craig; he leads them in receptions.

The best corner in the league are Lester Hayes and Mike Haynes of the Los Angeles Raiders. But the 49ers have Ronnie Lott and Eric Wright, who rate in the top three or four as a pair, and Lott is as good as there is.

They must stop Dan Marino to win this game. So I think you will see four down linemen more than three, figuring the only way for Miami to beat them is passing. Don't forget, Miami doesn't have Walter Payton in the backfield.

SPECIAL TEAMS

San Francisco is the fifth best in the league in covering punts, allowing only 6.3 yards per return. The 49ers are also the third best in returning punts; they average 11.6 yards.

The guy who returns punts for the team is Dana McLemore, the back-up safety from the University of Hawaii. He is a breakaway threat. Against the Chicago Bears in the championship game, he returned four kicks for 69 yards.

The kickoff team does O.K., too. It averages 22 yards per return, second best in the league. The kickoff coverage team gives up 19 yards a kick, and stands eighth.

The man who does the field-goal kicking is Ray Wersching, who has 13 years in the league. He made 70 percent of his kicks, and he's very accurate at short range. But, if the game came down to a long shot, they'd be in trouble. Still, they're better off than the Dolphins; Miami ranked last in the NFL in field goals, tried or made.

Austrians Dominate In Downhill

By Bob Donahue

International Herald Tribune

PARIS — Cold in Paris and snow in Dublin have forced a two-week postponement of world rugby's most popular fixture, the Five Nations tournament. As a result, what shaped up as the best of the annual 10 matches — France vs. Wales — moves from the start of the schedule to the end. That means a more dramatic tournament.

With the Parc des Princes turf frozen to a depth of 15 centimeters (six inches), the French announced on Wednesday that their match with Wales had to be put off from Saturday to March 30. The decision came in time to sweep the Welsh an unnecessary trip.

Then the winter rigors moved westward. England's squad flew to Dublin on Thursday and trained in snow; the ground was soft and thin officials expected to be able to clear the field and the stands at Lansdowne Road by kickoff time Saturday. But so much more snow fell through the night that the Irish reluctantly canceled on Friday morning. That match, too, is moved to March 30.

So Five Nations play will start on Feb. 2, which was originally intended to be the second of the tournament's five Saturdays. England will be at home against France and Scotland will host Ireland. Wales will have until Feb. 16, when it receives England, to recover its injured lock, Robert Norster, and repair morale shattered by Australia in a few weeks ago.

British weather-watchers are comparing present conditions to snowbound 1947, when international rugby resumed in Europe after a wartime break of eight years. Then, too, an unusually severe winter disrupted the Five Nations schedule. But such disruptions have been rare: Of 382 scheduled Five Nations matches since the war, only two have been canceled and half a dozen postponed. The latest case before this weekend involved opening day in January 1962, when heavy snow forced Ireland vs. Wales to be put off a week.

There was a time when winter was not allowed to interfere with serious sport. A famous example has special relevance today.

At Cardiff's Arms Park in 1893, John Griffiths recalls in "The Book of English International Rugby, 1871-1982," unemployed Welshmen turned out in force to help the groundsmen save Wales vs. England. "Some 18 tons of coal were used to keep braziers going and thus thaw the ground on the eve of the match."

A London sportswriter described the scene as the English arrived in Cardiff by train late at night: "On our way round to the Angel Hotel a strange, weird, uncanny sight presented itself. The ground on which the match of the morrow was to be played was like a scene from Dante's 'Inferno.' Imagine if you can, an acre or more of ground heaped several feet high with live coals from 500 fires blazing far up into the dark night. Dozens of dark ghouls-like figures were threading their way about the fires, heaping on fresh fuel, while the falling snow rendered the scene one of the most unique and romantic ever seen on a football field. Like Wellington at Waterloo, your reporter walked over the field at night, and found it in a fairly good condition."

Wales won, 12-11, with a last-minute kick by fullback Billy Bancroft. It was the first penalty goal ever kicked in an international match.

If Bancroft had known what he was starting, he might have had second thoughts. The "inferno" had cooked up a diabolical future.

Consider the England-Scotland series, begun in 1871. When war intervened for a second time in 1939 the series had seen only 15 matches — 1982, 1983 and 1984 — to produce 15 penalty goals.

There were 54 of them — and only 27 tries — in the 10 Five Nations matches last year. On the last Saturday four kickers set all-time national records for points scored in a single tournament — Jean-Patrick Lescarboura of France with 54, Peter Doon of Scotland with 50, Dusty Hare of England with 44 and Howell Davies of Wales with 39. Ollie Campbell set Ireland's current record of 52 points in 1983.

Australia dazzled the British Isles in recent weeks by winning with them. In their four test matches the Wallabies scored 12 tries, while England, Ireland, Wales and Scotland totaled one try between them.

England has managed only four tries in its last 10 tests, and Ireland only six. "Boring, boring," chanted England's fans at Twickenham on Jan. 5, even though the home team was beating Romania.

Ireland's new coach, Mick Doyle, promised on Thursday that not even the snow would prevent his team from playing "running rugby" this year. The snow has had the last word for the moment.

Flyers Defeat Red Wings as Kerr Scores 4

PEOPLE**Nancy Wants a Transfer**

WASHINGTON — The press was adjusting quite well to all the musical chairs in the White House, but even he wasn't prepared for the big one.

One night last week Nancy Reagan said to him, "I'd like to swap jobs with Secretary of Health and Human Services Margaret Heckler."

"How can you do that? You're the best first lady," he said.

"I'm burned out, Ronnie. After giving all those luncheons and dinners for heads of state, and making all those official appearances, I feel I need a new challenge. At least as a cabinet officer I won't have to smile all the time, Ronnie, my checkbook."

"But," the president protested, "I'm losing Deaver, Baker and Meese. You're the only one left from the old gang. With them gone, who can I confide in?"

Margaret Heckler is well qualified to be the first lady. She knows the inner workings of government and she's a quick study. Besides, Ronnie, it's not as if I'm leaving Washington. I'll only be a few blocks away, and I'll come over any time you want to talk."

"Gee whiz, Nancy, I just don't think it would work. If you leave me now, with all the other staff changes, the American people will get upset. They sleep better knowing that you're in the White House."

"I was afraid you'd try to talk me out of it. But I have to think of my own career. There is no future in

being a lame duck first lady. As secretary of HHS I'll have a high profile, and I won't have to deal with all the power plays in the White House any more. I'm sick and tired of everyone coming to me and asking me to put in a good word with you for all the silly ideas they have."

"You don't understand, Nancy. I can afford to lose Deaver, Baker and Meese, who is going to look adoringly at me when I make a speech?"

"I'm sure Margaret Heckler can do that. We've talked it over and I explained what the duties of first lady entail, and she said as far as she was concerned there wasn't one she couldn't handle."

"I know you talked it over with me?" the president said.

"I know that if I asked you first you might raise an objection. I go to see him when Donald Regan asked Jim Baker if he wanted to swap jobs. If Regan had gone to you first he could have turned down."

"Suppose I put you on the National Security Council? Would you stay then?"

"I'd rather be in charge of Health and Human Services. I've proved myself as first lady, and after four years there are no surprises."

"I can't believe anyone who has the ear of the president of the United States would want to throw it all away for a cabinet position. Do you realize you're the first person who sees me in the morning and the last person who sees me at night?"

"I know that, Ronnie. But as first lady, I'm still perceived as nothing more than your wife. As a liberated woman, I want to be appreciated for myself."

"But you promised I would remain on board as first lady of the country for the next four years. You're indispensable to me."

"No one is indispensable to the president of the United States. And you can prove that by letting me switch with Margaret Heckler."

"I'm going to have to sleep on this one," the president said.

"Why don't you do that? And while you're at it, remember, it could be worse."

"How's that?"

"I could have offered to swap with Jeane Kirkpatrick."

Plan to Protect Stonehenge

The Associated Press

LONDON — The English Heritage Commission announced plans Thursday to better display and protect Stonehenge, the prehistoric stone circle in southwest England that has drawn vandals and graffiti in recent years. A road adjacent to the monument would be closed and a visitors' center constructed three-quarters of a mile away. Visitors would walk from there to the circle.

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PEOPLE**Nancy Wants a Transfer****Sue Townsend's Diary of Success**

By David Lewis
Reuters

LONDON — Forget the glamorous characters created by Ian Fleming, John le Carré and Frederick Forsyth. Britain's most popular hero today is a pimpy post called Adrian — a lovelorn teenager who believes he is an undiscovered intellectual.

"The Secret Diary of Adrian Mole, Aged 13½" has sold nearly 1.5 million copies. Its sequel, "The Growing Pains of Adrian Mole," is nearing half a million in hardback alone. Together they far outdistanced all other fiction sales in 1984.

"A marvelous new novel," exclaimed Jilly Cooper, an early reviewer of the first volume. "It seems set fair to become as much a cult book as 'The Catcher in the Rye'." by J. D. Salinger.

An anti-hero for the 1980s, struggling as much with the Falklands War and the effects on his family of unemployment and adultery as with the problems of his maturing body, Adrian Mole is the creation of a 38-year-old playwright, Sue Townsend.

astonished at the success of Mole and the mountains of money he has brought in.

"I can hardly believe that this pouty little wimp, whom I invented on boozing Sunday afternoons when my kids were whining to be taken to safari parks, has earned me more than £250,000" (about \$285,000), Townsend told a recent interviewer.

And that is just from sales in Britain. "The Secret Diary" has been translated into seven languages.

Money, often short in the past, has enabled Townsend to buy a comfortable vicarage in the suburbs of her native Midlands town of Leicester and, to her delight, books and handbooks in cartons of 200.

Adrian Mole was born in 1980 under the name of Nigel at a writers' workshop at the Phoenix Arts Centre in Leicester, where Townsend was a writer in residence. She had left school at 15 and worked in a shoe factory, a gasoline station, a hot dog stand and a dress shop: places where she could read.

His name was changed because of its closeness to Nigel Moleworth, a schoolboy anti-hero of the 1950s, and in 1982 the BBC carried a half-hour monologue of Mole, read by an actor precisely 13½ years old.

As an aspiring poet — "My father said that there isn't a suitable career structure for poets and no pensions and other boring things, but I am quite decided" — he is estranged from most of his schoolmates, one of whom extorts protection money.

In fact, poems sent to the BBC by Townsend purport to be by Adrian received gentle encouragement from the real-life pro-



Simon Schatzberger, right, as stage Adrian, with David Riley, Mandy Travis.

ducer, John Tydeman. Both the poems and the Tydeman letters appear in "The Secret Diary."

His father is losing his job. His mother is having an affair with the man next door; she is reading Germaine Greer's "The Female Eunuch," which spawns Adrian's first wet dream, and is taking a course in self-assertion which means lots of housework for Adrian.

For her comically accurate parades of teen-age style, Townsend drew on a spell as a social worker. But she says that much of Mole is based on her own character.

"Mole" is really all about the 15-year-old no-hoper who fails," she has said. "He's about me. It wasn't until five years ago that I had the nerve to admit I was a secret writer."

Paperback sales of "The Secret Diary" were nearly 2½ times greater than those of its nearest rival, "Hollywood Wives" by Jackie Collins, the sister of actress Joan Collins. "The Growing Pains," despite appearing more than halfway through the year, left Jeffrey Archer's "First Among Equals" far behind.

The huge success spawned a musical stage show of the same name that sold out for nine weeks at Leicester before coming last month to Wyndham's Theatre in London, which regularly displays "House Full" signs.

In fact, poems sent to the BBC by Townsend purport to be by Adrian received gentle encouragement from the real-life pro-

PEOPLE**Domingo Looks to Baton**

Plácido Domingo will eventually head an opera company being formed in Los Angeles, the tenor has disclosed in a magazine interview. The Spanish-born star said he would start duties soon, either as artistic adviser or music adviser, at the Music Center Opera Association of Los Angeles, which hopes to have the Los Angeles Opera in full swing by 1989 or 1990. In an interview to be published in the March issue of Ovation magazine, Domingo, who will be 44 on Monday, said he expected that his singing career would wind down in the next decade or so and that he would increase his activity as an open conductor. He said he would take on NBC's "Tonight Show" in 1970 and tell the host, Johnny Carson, that he would have loved a career as a clown. A Milwaukee public relations man, Ben Berlin, who organized the first parade in 1970 and is reviving the parade this year, saw the show and called Domingo with an offer. The actor, who also appeared in the 1972 and 1973 parades, said he would be back when the parade returned July 14 after a decade-long absence. His wife, Tova, will ride an elephant.

Prompted by the news that if

Audrey Landers' female readers had to choose snuggling or sex, most would pick snuggling, the Chicago columnist Mike Royko wants to find out if his male readers would

choose the bowing alley over bedroom sports. Royko asked in his column for the "Tonight Show" host, Johnny Carson, is asking for an additional \$6,000 a month in temporary support payments. Mrs. Carson filed for dissolution of the couple's 10-year marriage in 1983 and was awarded temporary payments pending resolution of divorce proceedings. She receives \$35,000 a month, court records show. "My current monthly expenses are approximately \$34,000," Mrs. Carson said in a statement filed in Los Angeles. Documents filed by her attorney state that her expenses increased almost \$6,000 a month in October when she took over payment of expenses on one of the couple's former residences, at the Hotel Pierre in New York. "I do not have sufficient current income either through spousal support or interest income from my separate assets to pay the monthly rent and occupancy fees attributable to the

residence," she said.

Jessica Carson, estranged wife of "The Tonight Show" host, Johnny Carson, is asking for an additional \$6,000 a month in temporary support payments. Mrs. Carson filed for dissolution of the couple's 10-year marriage in 1983 and was awarded temporary payments pending resolution of divorce proceedings. She receives \$35,000 a month, court records show. "My current monthly expenses are approximately \$34,000," Mrs. Carson said in a statement filed in Los Angeles. Documents filed by her attorney state that her expenses increased almost \$6,000 a month in October when she took over payment of expenses on one of the couple's former residences, at the Hotel Pierre in New York. "I do not have sufficient current income either through spousal support or interest income from my separate assets to pay the monthly rent and occupancy fees attributable to the residence," she said.

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